To the Members of the California State Senate:

I am returning Senate Bill 1001 without my signature.

Improving the quality of California's water supply is of the utmost importance. Many regions of our state face serious water quality challenges, and improvements in the implementation and enforcement of water quality laws and additional funding is needed to address these problems. This is why I supported Proposition 84 in last year's election, which provided over \$1.5 billion for local and regional water quality improvements throughout the state.

This bill would make significant changes to the membership of California's Regional Water Quality Control Boards (Regional Water Board) and establish a new process for the State Water Resources Control Board (State Water Board) to withdraw a Regional Water Board's authority to administer water quality programs.

The revision this bill makes to the current conflict of interest definition for Regional Water Board members is absolutely essential to finding qualified candidates to fill these important posts throughout the state. I too support the author's intent to improve the performance and accountability of the State and Regional water boards, but this bill does not provide the necessary mechanism to achieve these improvements.

This bill establishes a new process for the State Water Board to withdraw a Regional Water Board's authority if the Regional Water Board substantially and continually fails to comply with state and federal water quality requirements. This process is duplicative of the appellate and administrative authority the State Water Board possesses under current law to reverse, revise, or order actions and decisions by Regional Water Boards. Under current law, if a Regional Water Board incorrectly implements, or fails to implement, federal and state water quality laws, the State Water Board has the authority to reverse a local decision, provide guidance for future decisions, and order administrative actions or changes to be made by the Regional Water Board to ensure compliance with the law.

Current law also requires Regional Water Board seats to be filled by local government officials and citizens with expertise in the fields of water conservation, fish and wildlife, agriculture, and industrial water use. This bill eliminates that expertise in favor of a broad set of qualifications for Regional Water Board members. In the absence of a broader analysis of the operations and interaction between the Regional and State water boards, it is unclear how this change improves the implementation of California's water quality laws or ensures balance on Regional Water Boards.

Notwithstanding my concerns with this bill, the author has appropriately raised legitimate concerns about California's current system for implementing and enforcing water quality laws. I agree that the time has come to have a broad discussion with all interested stakeholders to evaluate our current system and determine what improvements can be made to increase the implementation and enforcement of state and federal law as well as provide consistency and certainty of application across the state.

In anticipation of that discussion, I am directing the State Water Board to: develop a baseline of regulatory functions by all water boards and establish performance metrics to measure the effectiveness of their actions; develop a comprehensive report on enforcement priorities, performance measures, and targets; evaluate water rights and water regulatory processes to reduce processing time, increase efficiency, and reduce costs; identify opportunities to enhance consistency across the Regional Water Boards where appropriate; and compile any other information the State Water Board deems necessary for a full discussion on this issue.

Sincerely,

Arnold Schwarzenegger